



BEFORE THE VIRGINIA GAS AND OIL BOARD

RELIEF SOUGHT: An Order for Disbursement of Escrowed Funds
(and Authorization for Direct Payment of Royalties)

JURISDICTION: Code of Virginia § 45.1-351. (et seq) AND § 45.1-361.22 (et seq)

UNIT/WELL NAME: VC-504637

TRACT(S): 2

LOCATION: DICKENSON County, Virginia

TAX ID NUMBERS: Tax Map Identification Numbers for all parcels affected by this order are shown on: Exhibit B

DOCKET NUMBER: VGOB-01-1016-0968-04

APPLICANTS: EQT Production Company on behalf of Eva Adkins

HEARING DATE AND LOCATION: Russell County Government Center, Lebanon, Virginia
December 17, 2013

APPEARANCES: James Kaiser on behalf of EQT Production Company

PRIOR PROCEEDINGS:

1. Original Pooling Order Executed 11/19/2001, Recorded on 11/29/2001, Deed Book/Instrument No. 370, Page 554.
2. Supplemental Order Executed 03/01/2002, Recorded on 03/08/2002, Deed Book/Instrument No. 373, Page 461.
3. Disbursement Order -01 Executed 10/18/2007, Recorded on 11/01/2007, Deed Book/Instrument No. 444, Page 781.

NOTICE:

DB 513 PG690

The Unit Operator gave notice to the Applicants that the Board would consider its disbursement petition at the December 17, 2013 hearing and considered whether to:

- (1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract(s) 2 identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) 2 relative to the interests of the Applicants identified in the attached petition.
- (3) Continue the escrow account under this docket number.

FINDINGS: Code of Virginia § 45.1-361.22

Applicant has certified and represented to the Board that:

Range Resources-Pine Mountain was a conflicting claimant with Eva Mae Adkins with regard to Tract 2 as created by Board Order VGOB 01/10/16-0968. To resolve this conflict, an Order entered September 4, 2013 by the United States District Court for the Western District of Virginia is attached hereto. The court ruled that the escrow funds were due to Mae Adkins at 100% and all past and future royalties would be paid to Ms. Adkins. Case No. 1:11-cv-00031.

RELIEF GRANTED:

VGOB Disbursement

Unit VC-504637

VGOB-01-1016-0968-04

Table 1

Tracts: 2

Item	Tract	Disbursement Table	Fractional Ownership	Net Acreage Ownership	Royalty Split	Escrowed Acres	Percent of Escrowed Funds
			In Tract	In Tract	Agreement	Disbursed	Disbursed
		Total acreage in escrow before disbursement				21.36330	
	2	Tract 2 (total acreage)		0.07			
1	2	Eva Adkins\PO Box 1966, Coeburn, VA 24230		0.0700	100.00%	0.0700	0.3277%

1. The Escrow Agent is ordered, to within ten (10) days of receipt of this executed order, disburse funds for the unit and applicants detailed in Table 1.

2. The Escrow Agent is ordered to continue the Escrow Account for the Subject Drilling unit based on the attached Revised Exhibit E which replaces all prior Exhibit E's recorded for the Subject Drilling Unit.

CONCLUSION:

Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

APPEALS:

Appeals of this Order are governed by the provisions of the Code of Virginia § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court and that whenever a coal owner, coal operator, gas owner, gas operator, or operator of a gas storage field certificated by the State Corporation Commission is a party in such action, the court shall hear such appeal de novo.

DB 513 PG692

DONE AND EXECUTED this 10 day of January, 2014 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

DONE AND PERFORMED this 10 day of January, 2014 by Order of the Virginia Gas and Oil Board.



Rick Cooper
Principal Executive to the
staff, Virginia Gas and Oil Board

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 10th day of Jan, 2014 personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley C. Lambert, being duly sworn did depose and say that he is the Chairman of the Virginia Gas and Oil Board and appeared Rick Cooper, being duly sworn did depose and say that he is Principal Executive to the staff of the Virginia Gas and Oil Board, that they executed the same and was authorized to do so.



Diane J. Davis, Notary Public
174394

My Commission expires: September 30, 2017



BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: EQT Production Company

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 01-1016-0968-04

**RELIEF SOUGHT: (1) DISBURSEMENT FROM
ESCROW REGARDING TRACT(S) 2
(2) AND AUTHORIZATION FOR DIRECT
PAYMENT OF ROYALTIES**

HEARING DATE: November 19, 2013

DRILLING UNIT: VC-504637

DICKENSON COUNTY, VIRGINIA

PETITION FOR ORDER OF DISBURSEMENT OF ESCROW FUNDS

1. Petitioner and its counsel

Petitioner is EQT Production Company, 225 North Shore Drive, Pittsburgh, PA 15212, (412)553-5700. Petitioner's counsel is James Kaiser, Wilhoit and Kaiser Law Firm, 220 Broad Street, Suite 210, Kingsport, TN 37660 .

2. Relief Sought

Petition for the disbursement of funds on behalf of Eva Mae Adkins for Tract 2 of Drilling Unit VC-504637, VGOB 01/10/16-0968.

3. Legal Authority

Va. Code Ann. § 45.1-361.1 et seq., 4 VAC 25-160-140., and relevant Virginia Gas and Oil Board Orders ("Board") heretofore promulgated pursuant to law.

4. Type of Well(s)

Coalbed Methane

5. Factual basis for relief requested

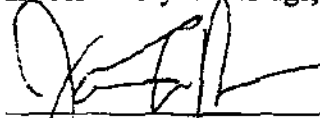
Range Resources-Pine Mountain was a conflicting claimant with Eva Mae Adkins with regard to Tract 2 as created by Board Order VGOB 01/10/16-0968. To resolve this conflict, an Order entered September 4, 2013 by the United States District Court for the Western District of Virginia is attached hereto. The court ruled that the escrow funds were due to Mae Adkins at 100% and all past and future royalties would be paid to Ms. Adkins. Case No. 1:11-cv-00031.

6. Attestation

The foregoing Petition to the best of my knowledge, information, and belief is true and correct.

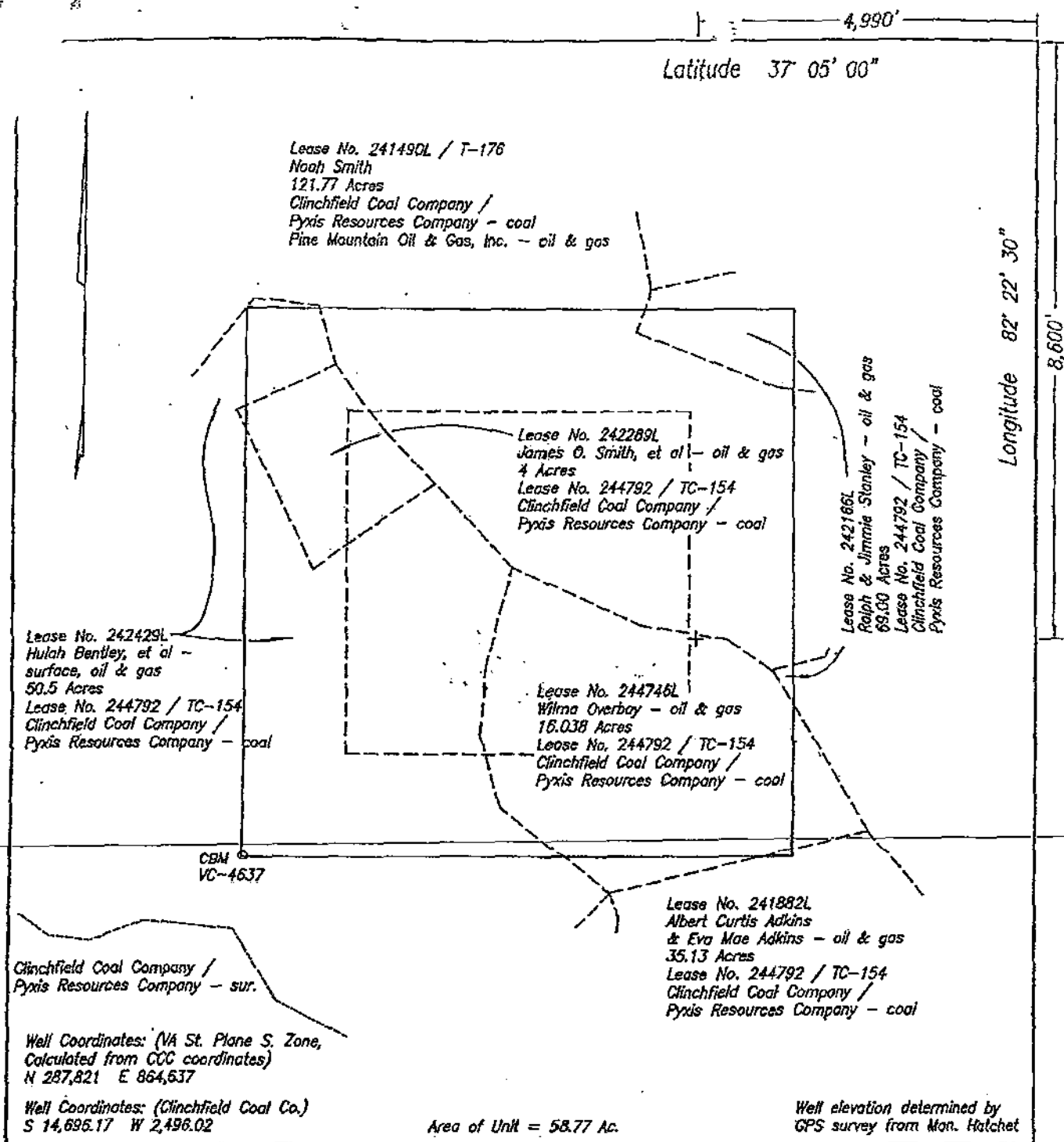
VERIFICATION

The foregoing Application to the best of my knowledge, information and belief is true and correct.

A handwritten signature in black ink, appearing to read 'James E. Kaiser', is written over a horizontal line.

James E. Kaiser

WILHOIT & KAISER



WELL LOCATION PLAT

COMPANY Equitable Production Company WELL NAME AND NUMBER VC-4637
TRACT NO. LS. No. 242429L ELEVATION 2362.41 QUADRANGLE Caney Ridge
COUNTY Dickenson DISTRICT Kennady SCALE 1" = 400' DATE 7-11-2000

This Plat is a new plat x; an updated plat ; or a final location plat

+ Denotes the location of a well on United States topographic Maps, scale 1 to 24,000, latitude and longitude lines being represented by border lines as shown.

PRELIMINARY PLAT

~~Licensed Professional Engineer or Licensed Land Surveyor~~

Addendum Plat for Well VC-504637

1. Lease No. 242429L
Hulah Bentley, et al – surface, oil & gas
50.5 Acres
Lease No. 244782L / TC-154
Range Resources-Pine Mountain, Inc. – coal
c/o Jerry Grantham
PO Box 2136
Abingdon, VA 24212
Gas 18.32 Ac. 31.17%
2. Lease No. 241882L / TC-154
Eva Mae Adkins – oil & gas
35.13 Acres
Lease No. 244792L / TC-154
Range Resources-Pine Mountain, Inc. – coal
c/o Jerry Grantham
PO Box 2136
Abingdon, VA 24212
Gas 0.07 Ac. 0.12%
 - By Court Order dated September 4, 2013
Eva Mae Adkins- oil, gas & CBM
P.O. Box 1966
Coeburn, VA 24230-1966
3. Lease No. 244764L
Wilma Overbay – oil & gas
16.038 Acres
Lease No. 244792L / TC-154
Range Resources-Pine Mountain, Inc. – coal
c/o Jerry Grantham
PO Box 2136
Abingdon, VA 24212
Gas 13.61 Ac. 23.16%
4. Lease No. 242289L
James O Smith, et al – oil & gas
4 Acres
Lease No. 244792L / TC-154
Range Resources-Pine Mountain, Inc. – coal
c/o Jerry Grantham
PO Box 2136
Abingdon, VA 24212
Gas 3.79 Ac. 6.45%

5. Lease No. 241490L / T-176
Noah Smith
121.77 Acres
Range Resources-Pine Mountain, Inc. – coal, oil & gas
c/o Jerry Grantham
PO Box 2136
Abingdon, VA 21212
Gas 21.27 Ac. 36.19%
6. Lease No. 242166L
Ralph & Jimmie Stanley – oil & gas
69.00 Acres
Lease No. 244792L / TC-154
Range Resources-Pine Mountain, Inc. – coal
c/o Jerry Grantham
PO Box 2136
Abingdon, VA 24212
Gas 1.71 Ac. 2.91% (total)

VGOB Disbursement

Unit VC-504637

VGOB-01-1016-0968-04

Table 1

Tracts: 2

			Fractional	Net Acreage	Royalty	Escrowed	Percent of	Disbursement
			Ownership	Ownership	Split	Acres	Escrowed	
			In Tract	In Tract	Agreement	Disbursed	Disbursed	
Item	Tract	Disbursement Table						
		Total acreage in escrow before disbursement				21.36330		
2 Tract 2 (total acreage)				0.07				
1	2	Eva Adkins\PO Box 1966, Coeburn, VA 24230		0.0700	100.00%	0.0700	0.3277%	\$94.52

Wells contributing to the escrow account: VC-504637 W/PL

DB 513 PG699

DB 513 PG700
EXHIBIT "B"
VC-504637
VGOB 01/10/16-0968

Revised 11/07/2013

Gas Estate

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
1	Hulah Bentley, Single	Leased-EPC	11.68875000%	6.8700
Minerals Only	13840 N. Desert Harbor Dr. Apt 131 Peoria, AZ 85381-3501	242429L01		
	John Greever and Margaret Greever, H/W PO Box 413 Orcas, WA 98280	Leased-EPC 242429L01	11.68875000%	6.8700
	Jean Lui Phipps PO Box 1006 Wise, VA 24293	Leased-EPC 242429L02	7.79250000%	4.5800
Tract 1 Totals			31.17000000%	18.3200
2	Eva Mae Adkins	Leased-EPC	0.12000000%	0.0700
Tax ID 4145	PO Box 1966 Coeburn, VA 24230	241882L		
Tract 2 Totals			0.12000000%	0.0700
3	Charles Gose Dickenson, Jr	Leased-EPC	23.16000000%	13.6100
Tax ID 5372	PO Box 691 Castlewood, VA 24224	244746L		
Tract 3 Totals			23.16000000%	13.6100
4	Clara R. Smith -Executrix of Estate of estate of James Olive Smith 241 Springbeauty Street NW Roanoke, VA 24012	Leased-EPC 242289L03	1.07500000%	0.6317
Tract ID 2333	Margaret Peacock, Widow 2410 South 300 East Anderson, IN 46011	Leased-EPC 242289L05	1.07500000%	0.6317
	Ollie J. Smith 2808 East Lyn Street Apt 4 Anderson, IN 46016	Leased-EPC 242289L01	1.07500000%	0.6317

William and Barbara Smith, H/W 2034 Chelsea Lane Traverse City, MI 49684	Leased-EPC 242289L02	1.07500000%	0.6317
Wilda Ann Smith 1194 Stonewood Court San Pedro, CA 90731	Leased-EPC 242289L04	1.07500000%	0.6316
Michael Greene and Wendy Green, H/W 1204 Foxfire Drive Greensboro, NC 27410	Unleased	1.07500000%	0.6316

Tract 4 Totals		6.45000000%	3.7900
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5	Range Resources-Pine Mountain*	Leased-EPC	36.19000000%	21.2700
Tax ID 20772	Attn: Jerry Grantham	241490L		
	PO Box 2136	T-176		
	Abingdon, VA 24212			

Tract 5 Totals		36.19000000%	21.2700
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6	Ralph & Jimmie Stanley	Leased-EPC	2.91000000%	1.7100
Minerals Only	Route HC 05 Box 576	242166L		
	Coeburn, VA 24230			

Tract 6 Totals		2.91000000%	1.7100
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Total Gas Estate		100.00000000%	58.7700
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Coal Estate

1	Range Resources-Pine Mountain*	Leased-EPC	31.17000000%	18.3200
Tax ID 11780	Attn: Jerry Grantham	244792L		
	PO Box 2136	TC-154		
	Abingdon, VA 24212			

Tract 1 Totals		31.17000000%	18.3200
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2	Range Resources-Pine Mountain*	Leased-EPC	0.12000000%	0.0700
Tax ID 11780	Attn: Jerry Grantham	244792L		
	PO Box 2136	TC-154		
	Abingdon, VA 24212			

Tract 2 Totals		0.12000000%	0.0700
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3	Range Resources-Pine Mountain*	Leased-EPC	23.16000000%	13.6100
Tax ID 11780	Attn: Jerry Grantham	244792L		
	PO Box 2136	TC-154		
	Abingdon, VA 24212			

Tract 3 Totals		23.16000000%	13.6100
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4	Range Resources-Pine Mountain*	Leased-EPC	6.45000000%	3.7900
Tax ID 11780	Attn: Jerry Grantham	244792L		
	PO Box 2136	TC-154		
	Abingdon, VA 24212			

Tract 4 Totals	6.45000000%	3.7900
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5	Range Resources-Pine Mountain*	Leased-EPC	36.19000000%	21.2700
Tax ID 20772	Attn: Jerry Grantham	T-176		
	PO Box 2136			
	Abingdon, VA 24212			

Tract 5 Totals	36.19000000%	21.2700
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6	Range Resources-Pine Mountain*	Leased-EPC	2.91000000%	1.7100
Tax ID 11780	Attn: Jerry Grantham	244792L		
	PO Box 2136	TC-154		
	Abingdon, VA 24212			

Tract 6 Totals	2.91000000%	1.7100
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Total Coal Estate	100.00000000%	58.7700
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* Formerly:
Pittston Company
c/o Pine Mountain Oil & Gas
Attn: Richard M. Brillhart
PO Box 5100
Lebanon, VA 24266

EXHIBIT E
VC-504637
VGOB 01/10/16-0968

Revised 11/07/2013

<u>Gas Estate</u>				
<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
1	Hulah Bentley, Single 13840 N. Desert Harbor Dr. Apt 131 Peoria, AZ 85381-3501	Leased-EPC 242429L01	11.68875000%	6.8700 RI
	John Greever and Margaret Greever, H/W PO Box 413 Orcas, WA 98280	Leased-EPC 242429L01	11.68875000%	6.8700 RI
	Jean Lui Phipps PO Box 1006 Wise, VA 24293	Leased-EPC 242429L02	7.79250000%	4.5800 RI
Tract 1 Totals			31.17000000%	18.3200
4	Ollie J. Smith 2808 East Lyn Street Apt 4 Anderson, IN 46016	Leased-EPC 242289L01	1.07500000%	0.6317 RI
	Michael Greene and Wendy Green, H/W 1204 Foxfire Drive Greensboro, NC 27410	Unleased	1.07500000%	0.6316 RI
Tract 4 Totals			2.15000000%	1.2633
6	Ralph & Jimmie Stanley Route HC 05 Box 576 Coeburn, VA 24230	Leased-EPC 242166L	2.91000000%	1.7100 RI
Tract 6 Totals			2.91000000%	1.7100
Total Gas Estate			36.23000000%	21.2933

Coal Estate

1	Range Resources-Pine Mountain* Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212	Leased-EPC 244792L TC-154	31.17000000%	18.3200 RI
Tract 1 Totals			31.17000000%	18.3200
4	Range Resources-Pine Mountain* Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212	Leased-EPC 244792L TC-154	2.15000000%	1.2633 RI
Tract 4 Totals			2.15000000%	1.2633
6	Range Resources-Pine Mountain* Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212	Leased-EPC 244792L TC-154	2.91000000%	1.7100 RI
Tract 6 Totals			2.91000000%	1.7100
Total Coal Estate			36.23000000%	21.2933

*Formerly:
Pittston Company
c/o Pine Mountain Oil & Gas, Inc.
Attn: Richard Brillhart
PO Box 5100

EXHIBIT EE
VC-504637
VGOB 01/10/16-0968

Revised 11/07/2013

<u>Gas Estate</u>					
<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	
<u>Disbursement -02</u>					
<u>Gas Estate</u>					
4	Clara R. Smith -Executrix of Estate of estate of James Olive Smith 241 Springbeauty Street NW Roanoke, VA 24012	Leased-EPC 242289L03	0.80625000%	0.4738	75%
	Margaret Peacock, Widow 2410 South 300 East Anderson, IN 46011	Leased-EPC 242289L05	0.80625000%	0.4738	75%
	William and Barbara Smith, H/W 2034 Chelsea Lane Traverse City, MI 49684	Leased-EPC 242289L02	0.80625000%	0.4738	75%
	Wilda Ann Smith 1194 Stonewood Court San Pedro, CA 90731	Leased-EPC 242289L04	0.80625000%	0.4738	75%
<u>Coal Estate</u>					
4	Range Resources-Pine Mountain* Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212	Leased-EPC 244792L TC-154	1.07500000%	0.6317	25%
	Total Subsequent to 75/25 Split		4.30000000%	2.5269	
<u>Disbursement -03</u>					
<u>Gas Estate</u>					
3	Charles Gose Dickenson, Jr PO Box 691 Castlewood, VA 24224	Leased-EPC 244746L	17.37000000%	10.2075	75%
<u>Coal Estate</u>					
	Range Resources-Pine Mountain* Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212	Leased-EPC 244792L TC-154	5.79000000%	3.4025	25%
	Total Subsequent to 75/25 Split		23.16000000%	13.6100	

Current Disbursement -04

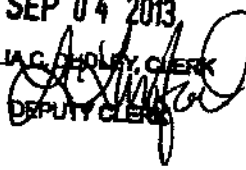
2	Eva Mae Adkins PO Box 1966 Coeburn, VA 24230	Leased-EPC 241882L	0.12000000%	0.0700	100%
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Total Subsequent to Order	0.12000000%	0.0700
Reconciliation Amount through 09/13/2013		

* Formerly:
Pittston Company
c/o Pine Mountain Oil & Gas
Attn: Richard M. Brillhart
PO Box 5100
Lebanon, VA 24266

CLERK'S OFFICE U.S. DIST. COURT
AT ABINGDON, VA
FILED

SEP 04 2013

JULIA C. HOLLY, CLERK
BY: 
DEPUTY CLERK

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF VIRGINIA

EVA MAE ADKINS, on behalf of herself and all
others similarly situated,

Plaintiff,

v.

EQT PRODUCTION COMPANY, et al.,

Defendants.

Case No. 1:11-cv-00031

ORDER


THIS CAUSE having come before the Court on Interpleader Defendant Range Resources - Pine Mountain, Inc.'s ("Range Resources") Motion for Judgment on the Pleadings, and by agreement of Plaintiff/Interpleader Defendant Eva Mae Adkins ("Adkins") and Defendant/Interpleader Plaintiff EQT Production Company ("EQT") the Court hereby:

1. Finds that Adkins is the owner of coalbed methane ("CBM") interests on the lands identified in Paragraph 10 of Adkins' Amended Class Action Complaint (Doc. No. 139) (the "Adkins Lands"), and Range Resources is not the owner of the CBM interests on the Adkins Lands;
2. Finds that the alleged conflicting claims to CBM royalties between Adkins and Range Resources is hereby resolved in favor of Adkins in accordance with Va. Code § 45.1-361.22;
3. Finds that the money denoted by EQT as the "Suspense Fund" in its Interpleader Complaint (Doc. No. 103) and deposited by EQT into the registry of the Court is the property of Adkins;

4. Finds that the money in the Virginia Gas and Oil Board's escrow account attributable to Adkins' interest is the property of Adkins;
5. Finds that Adkins is entitled to all past and future royalties, including money held in the Virginia Gas and Oil Board's escrow account attributable to her interest and the Suspense Fund, from EQT's production of CBM on the Adkins Lands; and
6. Having adjudicated the alleged conflicting claims identified by EQT to the CBM on the Adkins Lands, hereby orders the Clerk of Court to pay the Suspense Fund to Adkins within 30 days of entry of this Order, and directs the parties to take all necessary steps to have all money held in the Virginia Gas and Oil Board's escrow account attributable to Adkins' interest disbursed and paid to Adkins, and further orders that all future royalties associated with CBM production on the Adkins Lands be paid to Adkins, as no conflicting claims remain.

This Order shall constitute a Final Judgment of EQT's Interpleader Claim (ECF No. 103) pursuant to Federal Rule of Civil Procedure 54(b). Range Resources' Motion for Judgment on the Pleadings (ECF No. 246) is terminated. Range Resources is terminated as a party to this action. The judgment shall be without prejudice to any other claims Adkins may have against EQT. The parties shall bear their own costs.

SO ORDERED on this the 4th day of September, 2013


United States District Judge
INSTRUMENT #140000137
RECORDED IN THE CLERK'S OFFICE OF
DICKENSON ON
FEBRUARY 4, 2014 AT 10:46AM
RICHARD W. EDWARDS, CLERK
RECORDED BY: CJB